

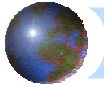
## *City of Sugar Land*

Five Year Financial Forecast  
2005-2009



## *Goals of Workshop*

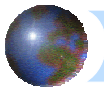
- ④ Understanding of where the City will be financially over the next five years based on a set of assumptions
- ④ To understand the outcome and results
- ④ To understand the challenges
- ④ To understand and concur with the long-term strategies



## *City of Sugar Land Goal - Responsible City Government*

### Objectives:

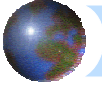
- High Level of Citizen Satisfaction and Cost Effective Delivery of City Services: Value for Tax Dollars
- Championship Workforce: Professional, Well Trained, Appropriately Compensated
- City Operating Efficiently as a Service Business
- A Leader in Customer Service, Superior Service
- Easy Access to City Government
- Compliance with Financial Policies



## *City of Sugar Land Goals - Other Objectives*

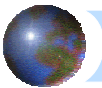
### Objectives: (to name a few)

- Adequate Infrastructure and Services to Support Growth and to Sustain Our Existing Community
- Creating an Environment to Encourage Citizens to Live, to Work, to Play, and to Shop in Sugar Land
- Balanced Tax Base: Commercial Development, Sales Tax Generators
- Well Built and Maintained Streets, Lights and Streetscapes
- Easier North-South Movement within City



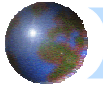
## *Advantages to Forecasting*

- Gain understanding of the City's financial condition
- Identify emerging problems and make appropriate strategic decisions
- Present a straightforward picture of the City's projected financial condition to the public, rating agencies, and others
- Introduce long-term consideration and strategies into the annual budget process
- Provide a focal point in setting financial policies



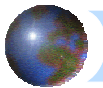
## *Five-Year Financial Forecast*

- Major Funds
  - General Fund
  - Debt Service Fund
  - Utility Fund
  - Solid Waste
  - Airport
  - Tourism
  - Economic Development Corporations
- Fiscally constrain the Five-Year CIP and build into the long-range forecast



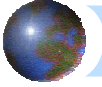
## *Five-Year Financial Forecast*

- A coordinated, integrated Five-Year Financial Plan
- Conservative, Reasonable Assumptions
- Continues to implement strategies as previously identified and develops new strategies for new challenges



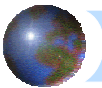
## *Long-Range Strategies*

- Maintain or lower the tax rate
- Implement 1999 bond referendum within City's commitment
- Conservative budgeting
- Utilize capacity in the Debt Service Fund to minimize burden on taxpayers:
  - Fund basic services
  - Fund new or enhanced services
  - Fund operating costs associated with capital improvements
  - Reduce operating reliance on sales tax
  - One cent of tax rate for drainage



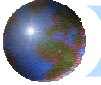
## *Long-Range Strategies*

- Manage growth of base budget
  - Protect Core Services
  - Consider service enhancements
- Increase commercial tax base through aggressive Economic Development Program
- Identify and Plan for future bond referendum
- Plan for future impacts due to legislation and unfunded mandates



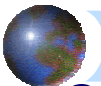
## *Long-Range Strategies*

- Self-Supporting Enterprise Funds
  - Water/Wastewater Rates
  - Utility rates to pay toward utility debt
  - Funding Capacity for Surface Water
  - Airport Fund to rely on its own revenue stream
- Take advantage of current debt structure by restructuring future debt
- Compliance with Financial Policies
- Continue and refine Long Range Financial Plans & Financial Policies



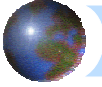
## Overall Outlook

- City's financial health will continue to remain strong
- The City can:
  - Maintain the tax rate
  - Maintain current service levels
  - Maintain fund balance policy requirements in all funds
  - Meet reserve and bond coverage requirements
  - Fund an aggressive Five-Year CIP
  - Fund current and anticipated future obligations, including operating impacts of completed capital projects
  - Improve self-sufficiency of its Enterprise Funds
  - Maintain sales tax for operations below 55% cap



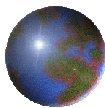
## Overall Outlook

- In order to do so:
  - Need to reallocate \$.0588 from DSF to GF
    - Recommended 2005                      \$.01542
    - 2006 – 2009                              \$.04338
  - Fund pay-as-you-go pursuant to CIP projects identified, which is slightly less than the 10% of sales tax target
  - Increase water/wastewater revenues by 18% over the Five-Year period
    - Recommended 2005                      3%
    - 2006 – 2009                              15%
  - Increase fuel mark-up at the Airport twice over the Five-Year period in 2006 and 2008
  - Increase Solid Waste Fees per contract- 2006

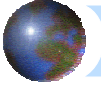


## *Five-Year Financial Forecast Issues Identified*

- Sale of City Hall
- Use of Debt Service capacity to
  - ▣ Reduce Tax Rate or
  - ▣ New or enhanced services
  - ▣ Unfunded Mandates, Legislative Impacts
  - ▣ Assist with Future Bond Referendum
  - ▣ Assist with results from Drainage studies
- Plan for Future Bond Referendum

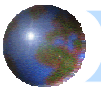


## *Assumptions and Outlook by Fund*

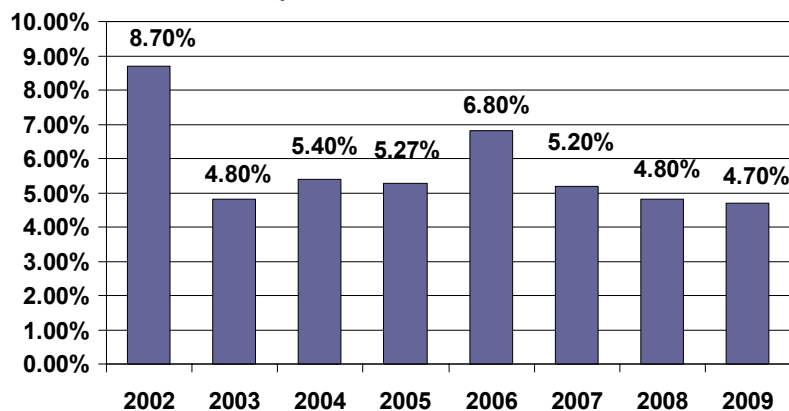


## Valuation Assumptions

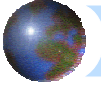
- New additions and revaluations residential and commercial
  - 2006 – 2009 Average Value increase of 5.4%
  - Revaluation assumption of 4% annually
- Residential build-out reached in 2006
  - Excludes Newland Development
- Abatement roll-off per current schedule and value
- New commercial development continues
  - Includes Lake Pointe Town Center
- Town Square valuation not included
  - Tax revenues go to TIRZ



## Net Assessed Valuation-excluding TIRZ (Percent Increase)

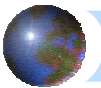
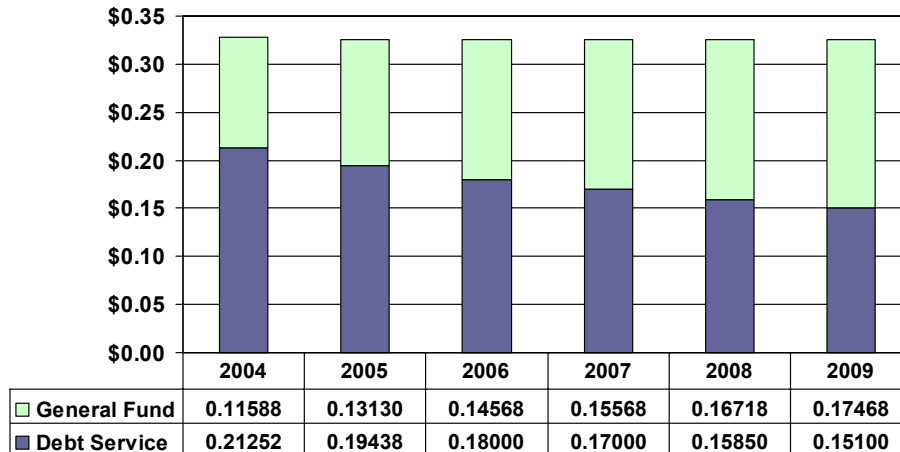




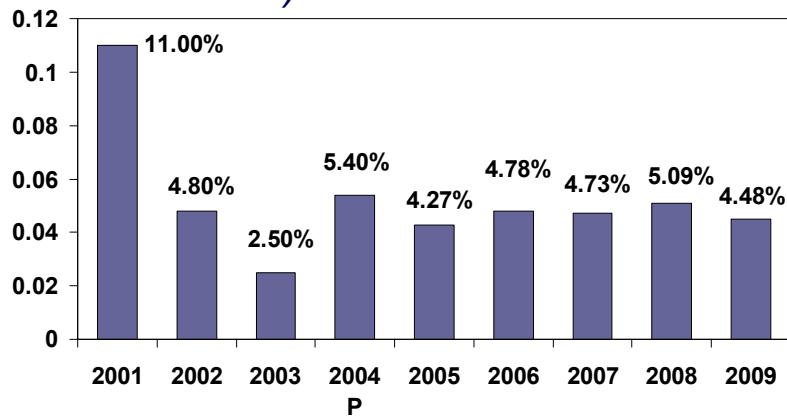


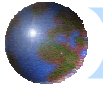
## Tax Rate

*Maintains Tax Rate- \$0.32568*



## Base Sales Tax Growth (Percent Increase)

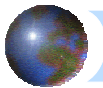




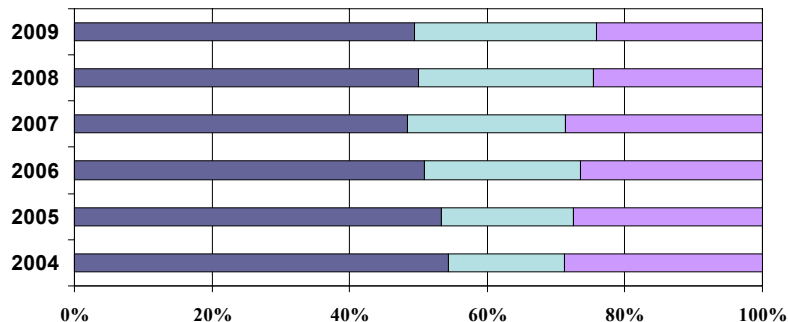
## General Fund Assumptions

### Revenues

- ✚ Property taxes based on valuation and tax rate assumptions.
- ⌚ Other Revenues – based on historical, overall fairly flat.
- ✚ Operating revenues grow \$7.8 million or 19% 2006 thru 2009 or 4.75% annually.
- ⌚ Sale of City Hall, proceeds to General Fund
- ✚ Purchasing companies go away after 2005



## General Fund Revenue Sources



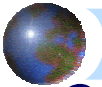
	2004	2005	2006	2007	2008	2009
Other	11.4	11.3	11.0	13.1	11.4	11.8
Property Tax	6.7	7.9	9.4	10.5	11.8	12.9
Sales Tax	21.6	21.9	21.1	22.1	23.2	24.2



## *General Fund Assumptions*

### Expenditures

- FY2005 proposed budget serves as base
  - Adds 4-5 positions per year, based on population to maintain ratio of employee per capita
  - Builds in Operating impact of CIP projects, no additional new or enhanced services
  - Replace Fire Apparatus as Scheduled
  - Recurring operating Expenditures increase 23% over the forecast or 5.75% annually
  - Repays High Technology replacement fund for purchase of radio console for interoperability- \$45,490 per year
- Policy requirement grows by \$2.2 million over the five year period, funded by proceeds from sale of City Hall



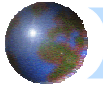
## *General Fund Assumptions*

### Cumulative Operating Impact of CIP

As Identified in 2005-2009 CIP

	<u>Annual</u>
2006	\$8,149
2007	\$289,226
2008*	\$935,438
2009	\$906,968

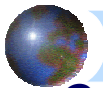
\*Includes Non-recurring of \$200,000



## General Fund Outlook

Based on Assumptions, the fund can:

- ④ Fund current service levels
- ④ Fund operating impact of CIP
- ④ Meet reserve policy requirements over the forecast period
- ④ Fund Pay-as-you-go CIP projects as identified in Five Year CIP
- ④ Reduce reliance on Sales Tax for operations from 54.7% in 2005 to 50.6% in 2009

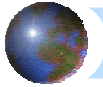


## General Fund

*Five-Year Forecast (in millions)*

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Property Tax	\$7.9	\$9.3	\$10.5	\$11.8	\$12.9
Sales Tax	21.9	21.1	22.1	23.2	24.2
Other*	<u>11.3</u>	<u>11.1</u>	<u>13.1</u>	<u>11.4</u>	<u>11.8</u>
Total Revenues	41.1	41.5	45.7	46.4	48.9
Operating Exp	38.0	38.4	40.5	43.2	45.3
Assignments	1.8	.5	.5	.6	.6
Transfers	<u>2.2</u>	<u>2.1</u>	<u>3.2</u>	<u>2.6</u>	<u>2.4</u>
Total Exp	42.0	41.0	44.3	46.5	48.4
FB Beg	10.0	9.1	9.6	11.0	10.9
FB End	9.1	9.6	11.0	10.9	11.3
Over Policy	\$ .073	\$ .063	\$ .943	\$ .220	\$ .130

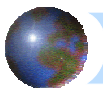
\*2007 includes City Hall proceeds



## *Debt Service Fund Assumptions*

### Revenues

- Property taxes based on valuation and tax rate assumptions
- Increases Utility Transfer from 60% in 2005 to 80% by 2007
- Continues assignment of hotel occupancy taxes to Debt Service Fund for Conference Center Debt



## *Debt Service Fund Assumptions*

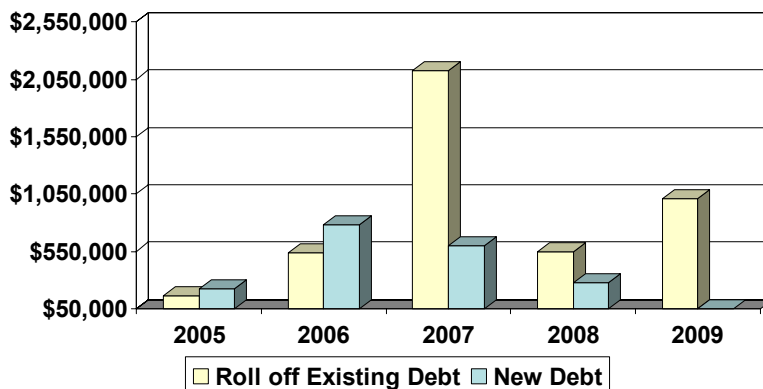
### Expenditures

- Current debt based on Debt Service Schedules
- Anticipated Future Debt

2005	GO Debt (incl Devel Reimb)	\$3.2 M
	C.O.'s	\$2.2 M
2006	GO Debt	\$10.6 M
	C.O.'s	\$5.0 M
2007	GO Debt	\$6.4 M
	C.O.'s	\$0.5 M
2008	C.O.'s	\$1.7 M



## *Available funding from paying off Current Debt vs. Future Debt*



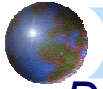
Excludes CO's for University Blvd. – funded by Transportation Fees



## *Debt Service Fund Outlook*

Based on Assumptions, the fund can:

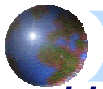
- Lower the DS component of the tax rate to reallocate to the General Fund
- Issue remaining GO authorization
- Fund Drainage needs currently identified in the Five-Year CIP
- Meet its fund balance requirements
- Has capacity for opportunities as previously identified



## Debt Service Fund

*Five-Year Forecast (in millions)*

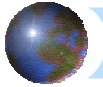
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Property Tax	\$11.6	\$11.4	\$11.3	\$11.1	\$11.1
Transfers In	4.5	5.0	5.1	4.7	4.7
Other	.1	.3	.4	.5	.6
Total Revenues	16.2	16.7	16.8	16.3	16.4
Debt Service	16.8	17.3	15.9	15.7	14.7
Rebates/ Transfers	.8	.7	.7	.7	.7
Total Expenditures	17.6	18.0	16.6	16.4	15.4
Change in FB	(1.4)	(1.2)	.2	-	1.0
FB Beg	6.6	5.2	4.0	4.1	4.1
FB End	5.2	4.0	4.2	4.1	5.0
Over Policy	\$2.7	\$1.4	\$1.8	\$1.7	\$2.8



## Utility Fund Assumptions

### Revenues

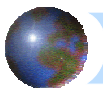
- ⊕ Revenue Increases over the 5-Year period of 18%
  - ▣ 1% increase generates approximately \$160,000
- ⊕ Proposed rate increases generate approximately \$4.8 million in additional revenues by year 2009.
- ⊕ Annual smaller increases in rates instead of periodical large rate increases.



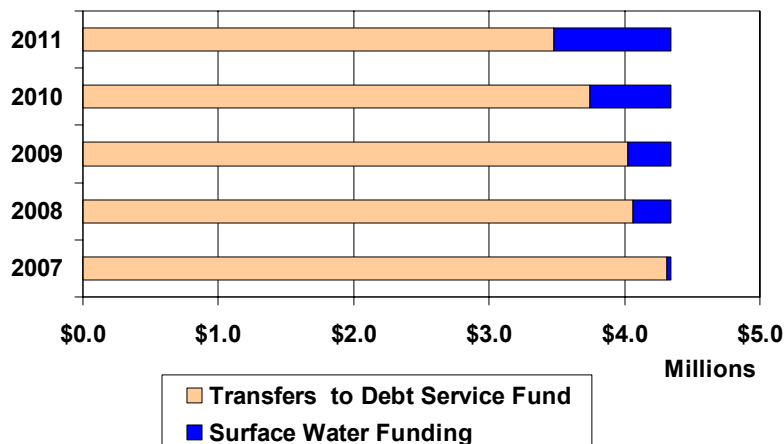
## Utility Fund Assumptions

### Expenditures

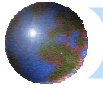
- Recurring operating expenditures increase 17.4% over forecast, or 4.35% annually
- Includes increase for upcoming contract proposal process
- Increases Utility Transfer for MUD debt from 60% to 80% by 2007
- Pay-as-you go CIP approximately \$1.0 million annually
  - Attempt to get back to \$2.0 by 2009 with funding of \$1.6 million
- Sets aside Surface Water funding



## Funding for Surface Water

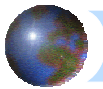




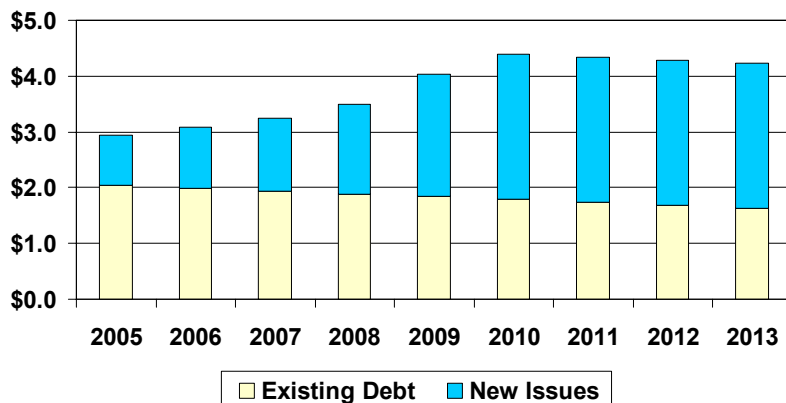


## Utility Fund Assumptions

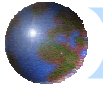
- Five-Year CIP totals \$40 million
  - Debt \$29.8 million
  - Cash \$10.2 million
- Components
  - Water - \$15 million or 38% of total
  - Wastewater - \$25 million or 62% of total
  - Does not include any CIP for Surface Water Plant
- Debt Service requirements increase by \$2 million by 2009 over existing debt
  - Accounts for approximately 10% of the needed 18% revenue increase



## Utility Debt Service Requirements (In Millions)

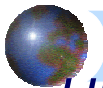


Based on Five-Year CIP



## Utility Fund Outlook

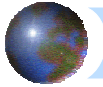
- Fund can implement all strategies and meet reserve and bond coverage requirements, in order to:
  - Ensure fund is more self-supporting
  - Maintain Infrastructure and Fund CIP Program
  - Fund current levels of service and operating impacts of completed CIP projects
  - Builds surface water capacity
- Rate increases will be needed
- If no rate increase implemented:
  - Delay of projects will be necessary
  - Eliminate funding for surface water capacity
  - Taxpayers to support water/wastewater debt



## Utility Fund

### Five-Year Forecast (in millions)

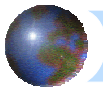
<b>*Excludes Bonds</b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
<b>Revenues*</b>	<b>\$17.0</b>	<b>\$18.4</b>	<b>\$19.9</b>	<b>\$21.1</b>	<b>\$22.3</b>
<b>Operating Exp</b>	<b>9.1</b>	<b>9.1</b>	<b>9.5</b>	<b>10.1</b>	<b>10.4</b>
<b>Debt Service</b>	<b>2.9</b>	<b>3.0</b>	<b>3.2</b>	<b>3.4</b>	<b>4.0</b>
<b>Transfers Out*</b>	<b>5.3</b>	<b>5.9</b>	<b>5.9</b>	<b>5.7</b>	<b>5.7</b>
<b>CIP</b>	<b><u>1.0</u></b>	<b><u>1.0</u></b>	<b><u>0.9</u></b>	<b><u>1.0</u></b>	<b><u>1.6</u></b>
<b>Total Exp</b>	<b>18.4</b>	<b>19.2</b>	<b>19.7</b>	<b>20.4</b>	<b>21.9</b>
<b>Net Income/Loss</b>	<b>(1.4)</b>	<b>(.7)</b>	<b>.2</b>	<b>.7</b>	<b>.5</b>
<b>Beg Cash</b>	<b>5.9</b>	<b>4.5</b>	<b>3.8</b>	<b>3.9</b>	<b>4.7</b>
<b>DS Reserve</b>	<b>(1.4)</b>	<b>(1.5)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.7)</b>
<b>End Cash</b>	<b>\$3.1</b>	<b>\$2.2</b>	<b>\$2.4</b>	<b>\$3.1</b>	<b>\$3.5</b>
<b>Cash Reserve Ratio</b>	<b>35%</b>	<b>25%</b>	<b>25%</b>	<b>30%</b>	<b>34%</b>



## *Airport Assumptions*

### Revenues

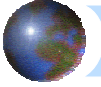
- Increase in fuel revenues 26.7% over forecast or 6.7% annually
  - Incremental increase in gallons sold 4% annually
  - Two markup increases during the five-year period
    - 2006
      - Jet A .10 cents per gallon
      - Avgas .05 cents per gallon
    - 2008
      - Jet A .10 cents per gallon
      - Avgas .05 cents per gallon



## *Airport Assumptions*

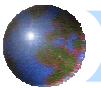
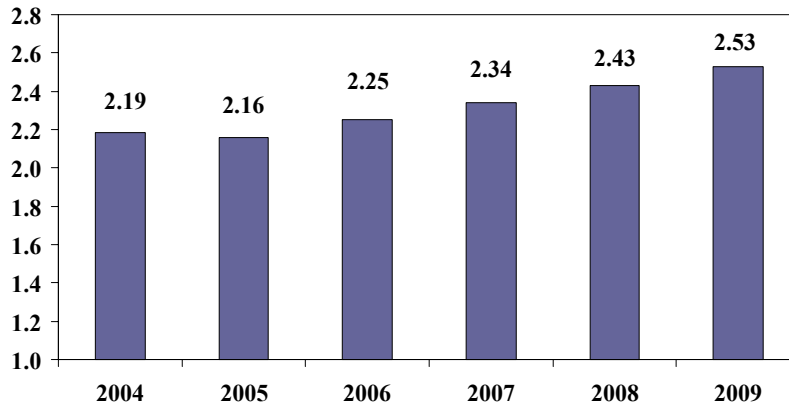
### Revenues

- Hangar revenues increase \$271,300 or 42% over the forecast, as T-Hangars are reconstructed due to more hangars and higher rent
- US Customs built into the plan starting in 2005 funded by third-party agreement for 18 months and then by user fees and fuel sales



## *Airport Fuel Sales*

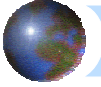
*(millions of gallons)*



## *Airport Assumptions*

### Recurring Operating Expenditures

- Increase 23.5% over the forecast period or 5.9% annually
  - ▣ Direct correlation to 17% increase in fuel sales
  - ▣ Personnel additions due to new terminal
    - 3 positions in 2006
- US Customs



## Airport Assumptions

### Five-Year CIP

● Total Cost \$11.2 million

■ Cash \$ 1.3 million

■ Debt \$ 9.9 million

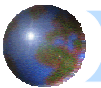
● Major Projects:

■ Airport Terminal

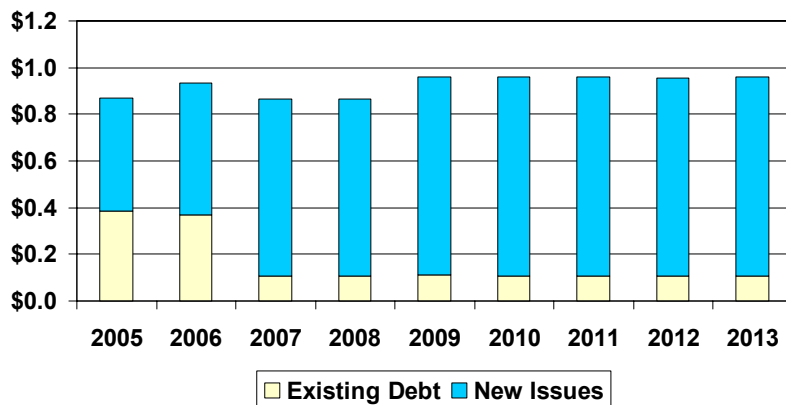
■ T-Hangars

■ Airport Utilities- Phase II

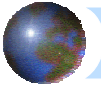
■ Continued General Aviation Development



## Airport Debt Service Requirements (in Millions)

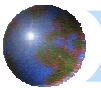


Based on Five-Year CIP



## Airport Outlook

- ✚ Fund is entirely self-supporting
- ✚ Can meet all reserve and bond coverage requirements
- ✚ Continues development and build-out
  - ▣ Airport remains financially independent
  - ▣ Remain recognized in the aviation community
    - Excellent place to land and base
    - Point of entry to the greater Houston area
    - Quality of service



## Airport Fund

*Five-Year Forecast (millions)*

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Operating Revenues	\$6.1	\$6.5	\$6.8	\$7.3	\$7.7
Operating Exp	<u>(4.9)</u>	<u>(5.3)</u>	<u>(5.6)</u>	<u>(5.7)</u>	<u>(6.0)</u>
Operating Income	1.2	1.2	1.2	1.6	1.7
Bonds/Other	5.5	1.4	2.8	0.2	1.3
DS/Transfers Out	(1.2)	(1.3)	(1.2)	(1.2)	(1.3)
CIP	<u>(5.4)</u>	<u>(1.2)</u>	<u>(2.7)</u>	<u>(0.5)</u>	<u>(1.4)</u>
Net Income/Loss	-	0.1	0.2	-	0.3
Beg Cash	1.4	1.2	1.1	1.1	1.0
SLDC Loan	(.15)	(.15)	(.16)	(.17)	(.13)
End Cash	\$1.2	\$1.1	\$1.1	\$1.0	\$1.1
Cash Reserve Ratio	24%	21%	20%	17%	19%

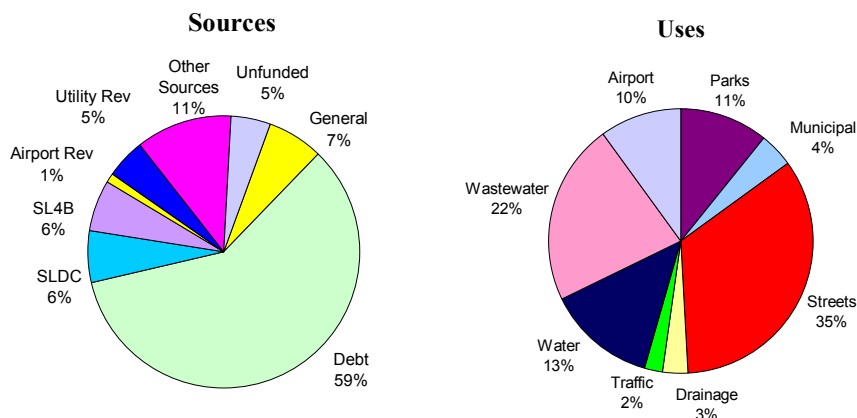


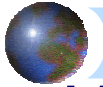
## *Solid Waste Fund Outlook*

- ⌚ Activities of the Fund include trash disposal and recycling, public environmental education
- ⌚ Funded primarily through user fees
  - ▣ Current Fee \$10.70
  - ▣ Proposed 2006 – 2008 \$11.62
- ⌚ KSLB and overhead costs not funded through user fees







## *Five-Year Capital Improvement Program -\$112 million*









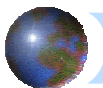
## *Major Projects*

### Airport

-  General Aviation Development
-  Airport Terminal
-  T- Hangars
-  Taxiways




### Drainage

-  Ditch "H" and Brooks Lake Diversion
-  Brookside/Belknap Drainage Improvements
-  Storm Sewer Lateral Tie-In's to Eldridge
-  LIDAR







## *Major Projects*

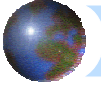
### Municipal

-  Fire Station Replacement
-  Facilities Improvements
-  Land Acquisition for Future Fire Station 7

### Parks





-  Duhacsek Property
-  Brazos River Corridor
-  Recreation Center
-  Parkland Acquisition

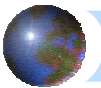




## *Major Projects*








### Streets

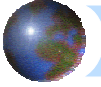
-  University Blvd. Thru Brazos Landing
-  US59 Widening and Beautification
-  US Highway 90A Widening
-  Reed Road
-  Street Reconstruction
  - Alkire Lake Drive Pavement
  - Lakeview Drive
  - Wood Street
  - Burney Road- Voss to Bellfort
  - Mayfield Park Street



## *Major Projects*

### Water

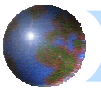
-  Woodchester GST Rehabilitation
-  South System Water Plant 1 – GST Replacement
-  South System Water Plant 2 – expansion (ETJ)
-  South System Water Plant 3 – (ETJ)
-  Distribution System Upgrades
-  Elevated Storage Tank (ETJ)
-  Rehabilitation
  - Water Plants
  - Water Wells
  - Water Mains



## Major Projects

### Wastewater

- Acquisition of Imperial/Nalco Capacity at BRA SLRSS
- Wastewater Treatment Plant Expansion (ETJ)
- BRA Wastewater Treatment Plant Rehabilitation and Flow Diversion
- Lift Station Rehabilitation and Expansion
- Regional Treatment Plan Conveyance System
- Collection System Rehabilitation
- SWTP Upgrades

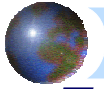


## Unfunded Projects

Total of \$5.3 million- Streets

Lexington Blvd Extension	\$ 2.3M
Univ. Blvd over Ditch H	1.9M
Tract 3 East/West Arterial	0.5M
Riverstone North/South Arterial	0.2M
Meadowcroft Bridge	0.4M

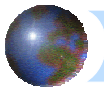
Does not include results from Master Plans such as Facilities, Parks, Hike & Bike, Drainage



## *Tourism Fund Outlook*

### Revenues and Expenditures

- Marriott revenues, up to the annual debt service, are transferred to the Debt Service Fund to make the annual payment for the Certificates of Obligation issued for the Conference Center.
- Expenditures budgeted annually to support tourism, convention and hotel industry including \$75,000 for FBCVS
- Builds capacity for future project or promotional needs



## *Tourism Fund Forecast*

*(in Thousands)*

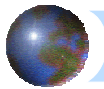
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Revenues</b>	<b>\$ 804</b>	<b>\$ 918</b>	<b>\$ 949</b>	<b>\$ 981</b>	<b>\$ 1,005</b>
<b>Operating Exp</b>	<b>92</b>	<b>92</b>	<b>95</b>	<b>98</b>	<b>100</b>
<b>Trsf to DS Fund</b>	<b><u>731</u></b>	<b><u>731</u></b>	<b><u>731</u></b>	<b><u>732</u></b>	<b><u>732</u></b>
<b>Total Exp</b>	<b>823</b>	<b>823</b>	<b>825</b>	<b>830</b>	<b>832</b>
<b>Net Income/Loss</b>	<b>(18)</b>	<b>95</b>	<b>124</b>	<b>151</b>	<b>173</b>
<b>Beg FB</b>	<b>201</b>	<b>183</b>	<b>278</b>	<b>401</b>	<b>553</b>
<b>End FB</b>	<b>183</b>	<b>278</b>	<b>401</b>	<b>553</b>	<b>726</b>



## *Sugar Land Development Corporation*

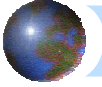
### Revenues and Expenditures

- Debt Issuance of Town Square infrastructure reimbursement 2006 and 2009 - \$11.5 million plus interest
  - Per developers agreement and targets met
- Assignment of revenues from TIRZ beginning in 2006 to reimburse for infrastructure – half of debt
- Funds \$6.8 million in CIP projects over the five-year period
- Funds \$1.5 million for Lake Point Developer Reimb.
- Funds \$1 million in ED incentives annually



## *Sugar Land Development Corporation (CIP Projects)*

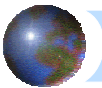
- Major CIP
  - Reed Road
  - US 90A Widening
  - US 59 Widening through SH 99 Interchange
  - US Hwy 59 Beautification
  - Dairy Ashford/Spur 41 Widening



## *Sugar Land Development Corporation*

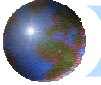
### Outlook

- Funds current and future debt obligations
- Meets fund balance and bond coverage requirements
- Fund Balance by Year, policy requirement \$300,000
  - 2005 \$1.6
  - 2006 \$1.0
  - 2007 \$1.6
  - 2008 \$2.3
  - 2009 \$3.3



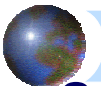
## *SLDC Forecast (in Millions)*

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Sales Tax	\$ 3.6	\$ 3.5	\$ 3.6	\$ 3.8	\$ 3.9
TIRZ Assignment		0.5	0.6	0.6	0.5
Interest	0.1	0.1	0.2	0.2	0.3
Bond Proceeds		7.2			8.0
Total Revenue	3.7	11.4	4.4	4.6	12.8
Operating Exp	0.6	0.5	0.5	0.5	0.5
Projects	2.0	8.2	1.8	1.9	8.1
Debt Service	1.0	1.8	1.1	0.6	1.5
ED Incentives	1.0	1.0	1.0	1.0	1.0
Total Exp	5.0	11.5	4.4	4.0	11.1
Available Funding	1.7	1.0	1.6	2.3	3.3



## *Sugar Land 4B Corporation (CIP Projects)*

- SH 6/US 90 A Beautification
- Tennis Court Renovation
- SH 6/US 90 A Grade Separation
- US 90 A Widening
- Sugar Land Youth Football
- Joint Participation in CIP
- Parkland Acquisition
- Duhacsek Property
- SPI Parkland Dedication in First Colony

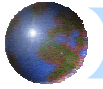


## *Sugar Land 4B Corporation*

### Outlook

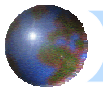
- Funds \$6.8 million in CIP projects over the five-year period
- Funds Lake Pointe Developer Reimb. For Signals
- Funds current debt obligations
- Meets fund balance and bond coverage requirements
- Fund Balance by year, policy \$300,000

■ 2005	\$ .3
■ 2006	\$1.2
■ 2007	\$ .5
■ 2008	\$2.3
■ 2009	\$4.6



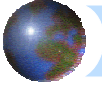
## SL4B Forecast *(in Millions)*

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Sales Tax	\$ 3.6	\$ 3.5	\$ 3.6	\$ 3.8	\$ 3.9
Interest	0.2	-	0.1	-	0.1
Total Revenue	3.7	3.5	3.7	3.8	4.0
Operating Exp	0.3	0.2	0.2	0.2	0.2
Projects	2.2	0.7	3.2	0.8	0.4
Debt Service	1.7	1.7	1.3	1.1	1.0
Total Exp	4.4	2.6	4.7	2.0	1.6
Available Funding	0.3	1.2	0.5	2.3	4.6



## 4A/4B Corporations Outstanding Issues

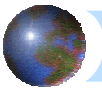
- ⦿ Aquatic Center
- ⦿ Triangle Drainage
- ⦿ Economic Development Projects
  - ▣ U of H Expansion
  - ▣ 95-acre Research Park



## *Five-Year Financial Forecast*

🕒 Utilize as a tool to:

- ▣ Identify and implement strategies to ensure the City remains financially sound
- ▣ Identify issues that need to be managed or researched
  - Make recommendations or set policies
- ▣ Assist in setting financial policies



*Questions*